



**SUBMISSION BY POWERCO LIMITED ON PROPOSED PLAN
CHANGES 51 (MISCELLANEOUS) AND 52 (GENERAL PROVISIONS
& NZS4404:2010) TO THE OPERATIVE WHANGANUI DISTRICT
PLAN**

Due 23 August 2016

TO: Whanganui District Council
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WHANGANUI

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File No: 10/018.2

A. INTRODUCTION

1. Powerco Limited (Powerco) is New Zealand's largest electricity and second largest gas distributor in terms of network length and has been involved in energy distribution in New Zealand for more than a century. The Powerco network spreads across the upper and lower central North Island servicing over 400,000 consumers. This represents 46% of the gas connections and 16% of the electricity connections in New Zealand. Powerco's customers are served through over 30,000 kilometres of electricity lines (including overhead lines and underground cables) and over 6,200 kilometres of gas pipelines.
2. Powerco supplies electricity to the whole of the Whanganui District by way of its electricity sub-transmission and distribution network.

B. GENERAL COMMENTS ON PROPOSED PLAN CHANGES 51 & 52:

3. A reliable and constant energy supply is critical to sustaining the regional economy, population and way of life and demand for energy is constantly increasing. Powerco faces an increasing number of constraints, in terms of providing a secure and reliable supply of electricity to meet the increasing demand and population growth.
4. Powerco's electricity sub-transmission and distribution assets are recognised as being physical resources of national or regional importance in accordance with Policy 3-1 of the Manawatu – Whanganui One Plan. It is therefore appropriate, given the local and regional significance of Powerco's network, that its management is comprehensively addressed in Proposed Plan Changes 51 & 52 to the Operative Whanganui District Plan (*the District Plan*).
5. In a general sense, Powerco seeks to ensure that Plan Changes 51 & 52 are drafted to recognise and ensure:
 - (i) The sustainable management of Powerco's assets as a physical resource;
 - (ii) That the National Policy Statement on Electricity Transmission (*NPSET*) is given effect to, with consequential recognition being given to Powerco's supporting sub-transmission and distribution networks;
 - (iii) Effect is given to the objectives and policies of the RPS;
 - (iv) Appropriate provision for the ongoing operation and maintenance of the network, including ensuring that lines can be accessed;
 - (v) That appropriate provision is made for the existing network to be upgraded in order to meet energy growth demands;

- (vi) Appropriate provisions for new lines as and when required;
- (vii) The protection of the existing network from issues of reverse sensitivity; and
- (viii) New subdivision and development is coordinated to ensure infrastructure services can be provided to developments in an appropriate and timely manner.

C. THE SPECIFIC PROVISIONS OF THE PROPOSED PLAN CHANGES THAT POWERCO'S SUBMISSION RELATES TO ARE SUMMARISED AS FOLLOWS:

6. This submission relates specifically to the following parts of Proposed Plan Changes 51 & 52 to the Operative Whanganui District Plan (*the District Plan*).
 - Plan Change 51 – Definitions
 - Plan Change 52 – Chapter 13 Subdivision and Infrastructure
7. The specific provision submitted on, the rationale for Powerco's submission on each of these matters, and the relief sought is contained in the following schedules. In addition, in giving effect to the specific outcomes set out in the following schedules, the following general relief is sought:
 - (a) Achieve the purpose and principles of the Resource Management Act 1991 (*RMA*) and consistency with the relevant provisions in Sections 6 - 8 *RMA*;
 - (b) Give effect to the relevant provisions of the Horizons One Plan;
 - (c) Assist the Council to carry out its functions of achieving the integrated management of the effect of the use, development or protection of land;
 - (d) Implement the statutory tests in section 32 and the requirements in the First Schedule *RMA*;
 - (e) Address, as relevant, the considerations identified by the Environment Court for planning instruments in decisions such as *Long Bay-Okura Great Park Society Inc v North Shore City Council* (and subsequent case law);
 - (f) Avoid, remedy or mitigate any relevant and identified environmental effects;
 - (g) Make any consequential relief as required to give effect to this submission, including any consequential relief required in any other sections of the District Plan Review that are not specifically subject of this submission but are required to ensure a consistent approach is taken throughout the document; and

(h) Any other relief required to give effect to the issues raised in this submission.

- D. POWERCO WISHES TO BE HEARD IN SUPPORT OF THIS SUBMISSION**
- E. IF OTHERS MAKE A SIMILAR SUBMISSION, POWERCO WOULD BE PREPARED TO CONSIDER PRESENTING A JOINT CASE AT ANY HEARING.**
- F. POWERCO COULD NOT GAIN AN ADVANTAGE IN TRADE COMPETITION THROUGH THIS SUBMISSION.**
- G. POWERCO IS DIRECTLY AFFECTED BY AN EFFECT OF THE SUBJECT MATTER OF THE SUBMISSION THAT—**
 - (i) ADVERSELY AFFECTS THE ENVIRONMENT; AND**
 - (ii) DOES NOT RELATE TO TRADE COMPETITION OR THE EFFECTS OF TRADE COMPETITION.**

Signature of person authorised to sign on behalf of Powerco Limited



Georgina McPherson
Principal Planner

Dated this 26th day of August 2016

SCHEDULE 1: PROPOSED PLAN CHANGE 51 – MISCELLANEOUS

A. The specific part of Proposed Plan Change 51 that is subject of this submission is:

- Definition of ‘development’, which is opposed.
- Definition of ‘minor upgrades’, which is supported subject to amendment.

B. Reason for Submission:

Definition of Development

1.1 Plan Change 51 proposes to amend the definition of ‘development’ to read as follows:

Development means:

- a. Any erection, reconstruction, placement, alteration, extension, removal, or demolition of any structure in, on, under, or over the land; or
- b. Any excavation, drilling, tunnelling, or other disturbance of the land; or
- c. Any destruction of, damage to, or disturbance of, the habitats of plants or animals in, on, or under the land; or
- d. Any deposit of substance in, on, or under the land;

except where these activities are carried out as part of a subdivision which is subject to the rules of the District Plan and the provisions of the Resource Management Act 1991.

~~In relation to any land, means the development or redevelopment of the land (not being a subdivision of the land) by:~~

~~a. Constructing, erecting, or altering a building or buildings. for the purpose of providing a third or more additional household units.~~

~~b. Constructing, erecting, or altering any one or more buildings intended to be used solely or principally for commercial or industrial purposes where the value of the construction, erection or alteration will exceed \$100,000.~~

1.2 Powerco is not necessarily opposed to amending the definition of ‘development’ currently used in the District Plan. However, it is concerned that the wording proposed may result in unexpected or unintended consequences. This is because the proposed changes significantly alter the scope of activities that will be covered by the definition and, therefore, subject to plan provisions relating to ‘development’.

1.3 The current definition applies to activities involving buildings only. However, the proposed new definition would apply to activities associated with any building or structure, earthworks, vegetation clearance and the deposition of substances. Given

the term 'development' is widely used throughout the District Plan, the implications of changing the definition are difficult to fully understand but are potentially significant. It is noted that the Council is well advanced in its rolling review of the District Plan and that use of the term 'development' in previous plan changes will have been based on the current definition.

- 1.4 Further, the proposed new definition may result in uncertainty around which provisions are intended to apply to certain activities. For example, there are already specific District Plan provisions relating to earthworks and vegetation clearance. However, under the proposed new definition of 'development', these activities would also be covered by District Plan provisions relating to 'development' creating the potential for confusion around which provisions would prevail.
- 1.5 As a matter of certainty and clarity, Powerco, therefore, considers the definition of 'development' should be amended to apply to buildings only, as per the current definition in the operative District Plan.

Minor Upgrades

- 1.6 Plan Change 51 proposes to amend the definition of 'minor upgrades' to read as follows:

Minor upgrades: ~~With regard~~

In relation to Chapter 11 – Natural Hazards the provisions for Flood Risk Area A and B, means works to provide for an increase in carrying capacity, efficiency, or security of infrastructure facilities, utilising existing support structures or structures of a similar scale or character and includes the:

- (i) addition of circuits and/or conductors;
- (ii) reconductoring of the line with higher capacity conductors;
- (iii) resagging of conductors;
- (iv) addition of longer more efficient insulators;
- (v) addition of earthwires (which may contain telecommunication lines, earthpeaks and lightning rods);
- (vi) replacement or alteration of an existing telecommunication antenna.
- (vii) widening of existing roads.
- (viii) Improvements to existing rail lines and yards.

Minor upgrade~~ing~~ does not include an increase in the voltage of the line unless the line was originally constructed to operate at the higher voltage but has been operating at a reduced voltage.

In relation to lawfully established network utility structures in a Land Stability Assessment Area means to expand the capacity of existing structure, where the effects that result from the process are the same or similar in character, scale and intensity as those that existed at the 2nd November 2012 or prior to the commencement of the minor upgrade for activities established after 2nd November 2012.

~~**Minor upgrading:** In relation to lawfully established network utility structures in a Land Stability Assessment area means to expand the capacity of an existing structure, where the effects that result from the process are the same or similar in character, scale and intensity as those that existed at the 2nd November 2012 or prior to the commencement of the minor upgrading for activities established after 2nd November 2012.~~

- 1.7 This definition essentially provides for a different range of activities associated with minor upgrading of existing infrastructure to be undertaken in the Flood Risk Area A & B compared to in the Land Stability Assessment Area.
- 1.8 The need to take a different approach in each of these areas is unclear, particularly in relation to the minor upgrading of electricity lines, where the two definitions would appear to cover largely the same types of activities. Further, the inclusion of road widening and improvements to existing rail lines and yards does not sit comfortably within that part of the definition applying to the Flood Risk Area A & B, as that part of the definition essentially relates only to electricity and telecommunication lines i.e. by virtue of the requirement that such minor upgrades must utilise '*existing support structures or structures of a similar scale or character*'.
- 1.9 The definition of 'minor upgrading' as it applies to electricity or telecommunication lines should be amended to provide further clarity on the scope of activities that can be undertaken as 'minor upgrading'. It is noted that the definition states "examples of minor upgrading may include:..." and therefore it is not "limited to", however for clarity Powerco seek to include additional examples into the definition. The specific examples sought to be included relate to tower or pole replacement and the increase of the height of a tower or pole.
- 1.10 With respect to Powerco's proposed activities, the activities referred to will not have an adverse effect on the environment for the following reasons:
 - i. Tower or pole replacement does not happen regularly and is likely to be required for foundation reasons. Powerco has few towers on its lines, but a new high voltage line connection to a windfarm could necessitate the need for towers. When the need arises for replacement, support structures will generally be built in the same or similar location as the previous - however in some circumstances this cannot be achieved. In that case, the support structures will be rebuilt as

close as practicable to the previous location, in order to minimise outage or line jointing. If Powerco has to modify the alignment of any line, it is required to obtain easements in accordance with the Electricity Act, which in turn is likely to address potentially affected parties (should this arise).

- ii. The requirement to increase the height of a pole or tower to meet the requirements of NZECP 34:2001 is often driven by building activities under or in close proximity to existing infrastructure. It may also be required where there is more current going down a line, to meet increased demand, and where the resulting increase in sag cannot be addressed on an ongoing basis by resagging the line.

1.11 The effects of the activities sought are considered to be less than minor in the context of the existing line.

RELIEF SOUGHT – PLAN CHANGE 51: DEFINITIONS

(Additions are underlined with deletions in ~~striketrough~~)

- 1.1 Amend the definition of ‘development’ to apply to buildings only, as per the current definition in the operative District Plan. This could be achieved by making the following changes or changes to the same effect:**

Development means any use of land involving the erection, alteration, addition, repair, maintenance, or relocation of a building or buildings on a site.

- a. ~~Any erection, reconstruction, placement, alteration, extension, removal, or demolition of any structure in, on, under, or over the land; or~~*
 - b. ~~Any excavation, drilling, tunnelling, or other disturbance of the land; or~~*
 - c. ~~Any destruction of, damage to, or disturbance of, the habitats of plants or animals in, on, or under the land; or~~*
 - d. ~~Any deposit of substance in, on, or under the land;~~*
- except where these activities are carried out as part of a subdivision which is subject to the rules of the District Plan and the provisions of the Resource Management Act 1991.*

- 1.2 Amend the definition of ‘minor upgrades’ to remove the distinction between Flood Risk Area A & B and Land Stability Assessment Area and to include more specific examples of works that do not have an adverse effect on the environment, as follows:**

Minor Upgrades

In relation to Chapter 11 – Natural Hazards means increasing the carrying capacity or efficiency of an existing network utility while the effects of that utility remain the same or similar in character, intensity and scale. Examples of minor upgrading may include:

For electricity and telecommunication lines:

- (a) Adding circuits and conductor to electricity and telecommunications lines.
- (b) Reconductoring lines with higher capacity conductors.
- (c) Resagging conductors.
- (d) Bonding of conductors.
- (e) Adding longer or more efficient insulators.
- (f) Adding earthwires to electricity lines, which may contain telecommunication lines, earthpeaks and lightning rods.
- (g) Adding electrical or telecommunication fittings.
- (h) Replacement of cross arms with cross arms of an alternative design.
- (i) Support structure replacement within the existing alignment of the line or within 5m of the existing support structures being replaced.
- (j) An increase in support structure height required to achieve compliance with NZECP34:2001
- (k) An increase in support structure height by no more than 15% of the base height of the support structure, and where the base height is defined as the height of the structure at the date of public notification of the Plan.

Minor upgrading shall not include an increase in the voltage of an electricity line unless the line was originally constructed to operate at the higher voltage but has been to operating at a reduced voltage.

Other infrastructure:

- (l) Widening of existing roads
- (m) Improvements to existing rail lines and yards.

In relation to Chapter 11 – Natural Hazards the provisions for Flood Risk Area A and B, means works to provide for an increase in carrying capacity, efficiency, or security of infrastructure facilities, utilising existing support structures or structures of a similar scale or character and includes the:

- (i) addition of circuits and/or conductors;
- (ii) reconductoring of the line with higher capacity conductors;
- (iii) resagging of conductors;
- (iv) addition of longer more efficient insulators;
- (v) addition of earthwires (which may contain telecommunication lines, earthpeaks and lightning rods);
- (vi) replacement or alteration of an existing telecommunication antenna.
- (vii) widening of existing roads.
- (viii) Improvements to existing rail lines and yards.

Minor upgrade does not include an increase in the voltage of the line unless the line was originally constructed to operate at the higher voltage but has been operating at a reduced voltage.

In relation to lawfully established network utility structures in a Land Stability Assessment Area means to expand the capacity of existing structure, where the effects that result from the process are the same or similar in character, scale and intensity as those that existed at the 2nd November 2012 or prior to the commencement of the minor upgrade for activities established after 2nd November 2012.

<p align="center">SCHEDULE 2: PROPOSED PLAN CHANGE 52 – CHAPTER 13 SUBDIVISION AND INFRASTRUCTURE</p>

A. The specific part of Proposed Plan Change 52 that is subject of this submission is:

- Policy 13.3.5B, which is opposed.
- Policy 13.3.44, which is opposed.

B. Reason for Submission:

Policy 13.3.5B

2.1 Plan Change 52 proposes to include a new Policy 13.3.5B, to reads as follows:

13.3.5B Infrastructure shall provide for the maximum potential demand arising from the development of allotments, including future land uses as anticipated by the District Plan, unless that land is constrained by hazards.

2.2 The intent of the policy is understood to be to ensure that new infrastructure is built to an appropriate capacity to provide for the expected future demand on that infrastructure. While this intent can be supported, the policy wording is opposed. The requirement that ‘infrastructure shall provide’ for the maximum potential demand is considered to be too absolute and may not be necessary or appropriate for all types of infrastructure. For example, elements of the electricity network would typically be constructed incrementally over time as an area develops, and do not necessarily need to be constructed ahead of the demand arising. With respect to the capacity of new reticulated water, wastewater and stormwater infrastructure, appropriate policy is already provided by Policy 13.3.13 and proposed new policy 13.3.5B is considered to be unnecessary.

2.3 Further, it is uncertain what the ‘maximum potential demand’ will be or how it would be calculated, particularly when required to take into account future land uses as anticipated by the District Plan. It is uncertain what ‘future land uses anticipated by the Plan’ would comprise. For example, if that would be based on activities that are identified as permitted activities in the District Plan, or permitted development densities. It is noted that any subdivision proposal to create new lots will require, at

least, a restricted discretionary activity consent, which could be refused by the Council, meaning it may be difficult to identify what level of development is anticipated by the Plan.

Policy 13.3.44

- 2.4 Plan Change 52 proposes to include a new Policy 13.3.44, to reads as follows:

13.3.44 Subdivision development shall avoid significant costs to connect to network utilities, including any requirement to provide for additional capacity, after the issue of a Certificate pursuant to Section 224 of the Resource Management Act 1991.

- 2.5 The intent and need for the policy is uncertain. It is unclear what costs might be considered to be significant and who the policy anticipates might bear those costs. In relation to electricity infrastructure, the cost of creating a new connection from the street to a new customer (e.g. a dwelling or commercial building) is typically covered by the new customer. A policy indicating that there should be no costs involved in connecting to network utilities following the issue of a s224 certificate is potentially misleading.
- 2.6 In lieu of the Council identifying a clear need for or benefit to the policy, Powerco considers it should be deleted.

RELIEF SOUGHT – PLAN CHANGE 52: CHAPTER 13 SUBDIVISION & INFRASTRUCTURE

(Additions are underlined with deletions in ~~striketrough~~)

- 2.1 Delete proposed new Policy 13.3.5B on the basis that it is unnecessary and lacks clarity and certainty. As an alternative, a new policy could be included along the following lines:**

13.3.5B

Require subdivision to provide servicing:

- (a) to be coordinated, integrated and compatible with the existing infrastructure network; and
- (b) to enable the existing network to be expanded or extended to adjacent land

where that land is zoned for urban development.

~~Infrastructure shall provide for the maximum potential demand arising from the development of allotments, including future land uses as anticipated by the District Plan, unless that land is constrained by hazards.~~

2.2 Delete proposed new Policy 13.3.44, as follows, on the basis that it lacks clarity and certainty:

~~13.3.44 Subdivision development shall avoid significant costs to connect to network utilities, including any requirement to provide for additional capacity, after the issue of a Certificate pursuant to Section 224 of the Resource Management Act 1991.~~